

## ADDENDUM TO THE INITIAL STATEMENT OF REASONS

a. Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

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Specific Purpose:

This section's heading is amended to reflect the repeal of the Statewide Fingerprint Imaging System (SFIS).

Factual Basis:

This amendment is necessary to comply with Senate Bill (SB) 89 (Chapter 24, Statutes of 2017), which repealed Welfare and Institutions Code (WIC) section 10830, and eliminated the use of the SFIS. This amendment removes reference to a system and requirement that no longer exist.

Section 40-026

Specific Purpose:

This section repeals the requirement for applicants to comply with the SFIS as an eligibility requirement to receive California Work Opportunity and Responsibility to Kids (CalWORKs) benefits.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and eliminated the use of the SFIS. This section, which references the SFIS, must be removed, because the SFIS system no longer exists. The SFIS system was discontinued in favor of a system that is more applicant friendly.

Section 40-105.3

Specific Purpose:

This section is being amended to implement a new identity verification method for the CalWORKs program.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and with SB 80 (Chapter 27, Statutes of 2019), which adopted WIC section 10831 and requires the California Department of Social Services (CDSS) to implement and maintain a new identity verification method in the CalWORKs program. This adoption is necessary to implement WIC section 10831 and to provide a heading for the guidance that follows. The guidance for the identity verification method has several components and requires an introductory heading.

Section 40-105.31

Specific Purpose:

This section is being amended to repeal the requirement for CalWORKs applicants to provide fingerprint and photo images and instead require applicants to present photo identification as a condition of eligibility.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement and maintain a new identity verification method in the CalWORKs program. Under the SFIS, in addition to the standard use of a photo ID to verify identity, adults applying for CalWORKs were required to have their photos and fingerprints taken, which were then matched against those of other applicants to prevent individuals from receiving duplicate cash aid. Going forward, the existing process for photo verification will be continued, minus the fingerprint and photo imaging. Adult applicants will continue the existing practice of providing a photo ID to initiate the application and eligibility determination process.

Section 40-105.32

Specific Purpose:

This section is being amended to repeal the requirement for fingerprint and photo images for specified applicants and, instead, require photo identification as a condition of eligibility.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement and maintain a new identity verification method in the CalWORKs program.

This section is updated for consistency with the new photo identification requirements. The individuals required to provide photo identification as the same as those who were required to provide fingerprint and photo images under the SFIS.

#### Section 40-105.33

##### Specific Purpose:

This section is being amended to repeal the exemption from the SFIS for specified persons and instead require the exemption from photo identification as a condition of eligibility for non-minor dependents, non-needy caretaker relatives applying for relative foster children, and applicants who are already known to the Statewide Automated Welfare System (SAWS) (i.e., have already gone through the SFIS process) and have a photo identification in their case file.

##### Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. The regulations need to be updated for consistency with the new photo identification requirements. The exemption of specific populations from the new photo identification requirements are consistent with the prior the SFIS exemptions, which allowed exemptions for non-minor dependents [WIC section 11253(b)(2)] and non-needy caretaker relatives [WIC section 11253.2(c)]. Applicants known to SAWS do not need to provide photo identification because they have already complied with this requirement.

#### Section 40-105.34

##### Specific Purpose:

This section is being adopted to require CWDs to issue aid prior to the applicant presenting photo identification under specified circumstances.

##### Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. Under specified circumstances (i.e., if the applicant is in immediate need of benefits pursuant to Manual of Policies and Procedures (MPP) section 40-129, or when acceptable photo identification does not exist), aid can be granted before an applicant presents acceptable photo identification.

#### Section 40-105.341

##### Specific Purpose:

This section is being adopted to require CWDs to issue aid prior to the applicant presenting photo identification, when the applicant is in immediate need of benefits. Eligibility and verification of identity must be determined within 15 working days from the request date for the Immediate Need payment.

##### Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. The proposed regulations are consistent with existing program rules at the MPP section 40-129. Applicants who are eligible for an immediate need payment must be issued aid within two days, even if the applicant has not provided verification of eligibility. Proof of identity must be provided by the applicant within 15 working days.

#### Section 40-105.342

##### Specific Purpose:

This section is being adopted to require CWDs to issue aid prior to the applicant presenting photo identification when the applicant applies remotely through telephonic or other electronic means. The applicant must present photo identification in person within 15 working days for benefits to be continued.

##### Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. The proposed regulations are consistent with standard practice in other areas of CalWORKs existing program rules [i.e., as outlined in All County Letter (ACL) No. 14-26, which provides guidance on the types of documents an applicant may submit to verify identity].

#### Section 40-105.343

##### Specific Purpose:

This section is being adopted to require CWDs to issue aid prior to the applicant presenting photo identification, when acceptable photo identification does not exist and the applicant has submitted a sworn statement under penalty of perjury regarding identity. Applicants must present photo identification in person within 15

working days for benefits to be continued. Aid shall be continued if the applicant presents evidence of good-faith efforts to obtain photo identification.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. The proposed regulations are consistent with existing program rules. The MPP section 40-115.22 allows an applicant, in most cases, to complete and sign a sworn statement under penalty of perjury if acceptable evidence does not exist.

Section 40-105.35 (Repeal)

Specific Purpose:

This section repeals the requirement to not deny aid to an otherwise eligible assistance unit because of technical problems with the SFIS. This section also repeals the requirement for applicants to complete the SFIS requirement at a mutually agreed upon time within 60 days of the initial attempt.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and eliminated the use of the SFIS. This section must be removed from the regulations because the SFIS no longer exists.

Section 40-105.35 (Adopt)

Specific Purpose:

This section is being adopted to provide examples of acceptable forms of photo identification. Acceptable photo identification includes, but is not limited to: driver's license, photo identification (from school, government agency, etc.), passport, or documents from the United States Citizenship and Immigration Services (USCIS).

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. Prior to the discontinuance of the SFIS, in addition to the standard use of a photo ID to verify identity (e.g., as outlined in ACL No. 14-26, which provides guidance on the types of documents an applicant may submit to verify identity), adults applying for CalWORKs were required to have their fingerprints taken and matched against other applicants to prevent individuals from receiving duplicate cash aid. The new identity

system continues the existing requirement that applicants provide a photo ID to initiate the application and eligibility determination process. The examples of acceptable forms of photo identification are consistent with existing practice (i.e., as outlined in ACL No. 14-26, which provides guidance on the types of documents an applicant may submit to verify identity). The examples are readily available, considered a reliable source, and are based on pre-verified identification.

#### Section 40-105.36

##### Specific Purpose:

This section is being adopted to require CWDs to pay third party fees when it has been determined the applicant has made a good faith effort to obtain evidence and the third party imposes a fee to obtain the evidence.

##### Factual Basis:

This is necessary to comply with WIC section 11275.10(b), which states that for the CalWORKs program, if necessary to pay a fee imposed by a third party to obtain the verification, the CWD shall pay that fee on behalf of the applicant or recipient.

#### Section 40-105.37

##### Specific Purpose:

This section is being amended to repeal the reference to the SFIS and to clarify that photo identification information shall be considered confidential, may not be used for any purpose other than the prevention or prosecution of fraud, and CWDs must inform all persons required to provide photo identification that the images will be used only for prevention or prosecution of welfare fraud.

##### Factual Basis:

This amendment is necessary to comply with WIC section 10850(a). References to the SFIS have been eliminated because the SFIS is not used anymore. The proposed regulations clarify that existing confidentiality rules apply to the new photo identification requirements.

#### Section 40-171.221(k)

##### Specific Purpose:

This section is being amended to require denial of aid if photo identification is not provided by any person required to do so.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and SB 80, which adopted WIC section 10831 and requires the CDSS to implement a new identity verification method in the CalWORKs program. The proposed regulations update the old SFIS requirements to comply with the new photo identification requirements.

Section 80-301(f)(2)

Specific Purpose:

This section is repealed to remove obsolete program regulations that require applicants to be fingerprinted.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and eliminates the use of the SFIS. This section must be removed from the regulations because the SFIS no longer exists.

Section 80-301(p)(2)

Specific Purpose:

This section is repealed to remove obsolete program regulations that require applicants to be photo imaged.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and eliminated the use of the SFIS. This section must be removed from the regulations because the SFIS no longer exists.

Section 80-301(s)(10)

Specific Purpose:

This section is repealed to remove obsolete program regulations about SFIS requirements.

Factual Basis:

This amendment is necessary to comply with SB 89, which repealed WIC section 10830, and eliminated the use of the SFIS. This section must be removed from the regulations because the SFIS no longer exists.

Section 80-301(s)(10 – 13) is renumbered from Section 80-301(s)(11 – 14)

Specific Purpose/Factual Basis:

These sections are being renumbered from existing Sections 80-301(s)(11), (12), (13), and (14) to Sections 80-301(s)(10), (11), (12), and (13), respectively, to maintain proper numerical sequencing for clarity.

b. Identification of Documents Upon Which Department Is Relying

SB 89 (Chapter 24, Statutes of 2017), Sections 15 and 16.  
SB 80 (Chapter 27, Statutes of 2019), Sections 29 and 30.

c. Local Mandate Statement

These regulations do not impose a mandate upon local agencies. There are no "state-mandated local costs" in these regulations which require state reimbursement under Section 17500 et seq. of the GC.

d. Statement of Alternatives Considered

In developing the regulatory action, CDSS did not consider alternatives because SB 89, Section 15 repealed the SFIS identity requirement. CDSS is legally bound to repeal regulations based on this statutory change.

In addition, SB 80, Section 30 enacted WIC section 10831 which requires CDSS to implement and maintain an automated, nonbiometric identity verification method in the CalWORKs program. CDSS is legally bound to develop regulations for this WIC section.

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed, or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

e. Statement of Significant Adverse Economic Impact on Business

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the proposed regulatory action, which was designed to impact only the regulations only affect individuals applying for the CalWORKs program.



f. Economic Impact Assessment

In accordance with GC section 11346.3(b), CDSS has made the following assessments regarding the proposed emergency regulations. This analysis is intended to be a tool or baseline to establish that these regulatory measures are the most cost-effective to affected California enterprises and equally effective in implementing the statutory policy or other provision of law. The proposed regulations include the repeal of the SFIS and requirements for a new identity verification method for the CalWORKs program.

**Creation or Elimination of Jobs Within the State of California**

The adoption of the proposed regulations will neither create nor eliminate jobs in the State of California. The justification for this statement is that the proposed regulations implement the above-mentioned statutes and only affect individuals applying for the CalWORKs program.

**Creation of New or Elimination of Existing Businesses Within the State of California**

The adoption of the proposed regulations will neither result in the creation of new businesses nor elimination of existing businesses in the State of California. The justification for this statement is that the proposed regulations implement the above-mentioned statutes and only affect individuals applying for the CalWORKs program.

**Expansion of Business Within the State of California**

The adoption of the proposed regulations will not result in the expansion of businesses in the State of California. The justification for this statement is that the proposed regulations implement the above-mentioned statutes and only affect individuals applying for the CalWORKs program.

**Benefits of the Regulations**

The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows: The amended and adopted regulations will increase the likelihood of stable families moving towards self-sufficiency, resulting in a positive economic impact to the state. There are no additional benefits for worker safety or the state's environment, as the regulations only affect individuals applying for the CalWORKs program.

**Documents Relied Upon**

SB 89 (Chapter 24, Statutes of 2017)  
SB 80 (Chapter 27, Statutes of 2019), Sections 29 and 30.

g. Benefits Anticipated from Regulatory Action

The amended and adopted regulations will improve client experience, thus, increasing the likelihood of stable families moving towards self-sufficiency and resulting in a positive economic impact to the state, while also improving identity verification and preventing duplicate aid.

h. Statement of Specific Technology or Equipment

This regulatory action will not mandate the use of new, specific technologies or equipment.